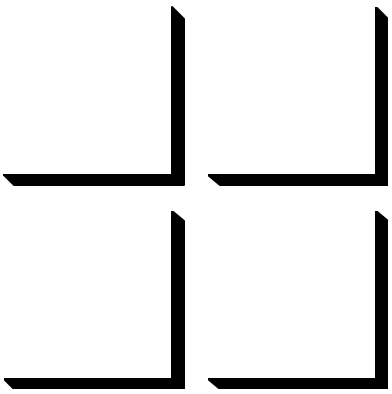

APPENDIX: O

10

ELMWOOD RESIDENTIAL AND COMMERCIAL PROJECT
WATER SUPPLY ASSESSMENT

Summary

This assessment is completed in compliance with Senate Bill 610 and Senate Bill 221. SB 610 requires that a water supply assessment shall be included in any environmental documentation for projects exceeding 500 dwelling units. Under SB 221, approval by a City or County of certain residential subdivision requires an affirmative written verification of sufficient water supply. The assessment was completed using the 2000 Urban Water Management Plan, 2002 Water Master Plan, and 2003 Financial Utility Master Plan. The finding is that sufficient supply is available to provide water to the proposed development.

Introduction

The Elmwood Residential and Commercial Project, proposed by KB Home South Bay Inc., consists of 721 residential units, 150,000 square feet of auto sales facilities and a 1.2-acre park to be developed on 53.66 acres. The project site includes 44.06 acres on the northern and western borders of the Elmwood Rehabilitation Center and 9.6 acres located east of Abel Street (See Map for details). This project exceeds the development threshold of 500 dwelling units and therefore requires a Water Supply Assessment under the provisions of California Senate Bill 610 and a written verification of sufficient water supply under California Senate Bill 221. The Water Supply Assessment and written verification shall include:

> ***A discussion with regard to whether the public water systems total projected water supplies available during normal, singly dry and multiple dry water years during a 20 year projection will meet the projected water demand associated with the project, in addition to the public water systems existing and planned future uses.***

As lead agency, and water service supplier for the Elmwood Residential and Commercial project, the City of Milpitas prepared this water supply assessment in compliance with SB 610, SB 221 and the California Environmental Quality Act. The findings of this assessment shall be submitted to the City Council for approval and included in the environmental review process.

The City of Milpitas' most current Urban Water Management Plan, adopted in 2000, did not account for water use associated with this project. Data from The City's 2002 Water Master Plan and the 2003 Financial Utility Master Plan supplement information provided in the 2000 Urban Water Management Plan.

Water Supply Assessment

This section includes an evaluation of the City of Milpitas capability to provide water to the proposed Elmwood Residential and Commercial Project described above. The assessment consists of the following six steps:

(1) Documenting wholesale water supplies
(2) Documenting supplies
(3) Documenting project demand (project demand analysis) detailing existing and planned future uses
(4) Documenting dry year's supply
(5) Documenting dry year's demand
(6) Determining whether the projected water supply is sufficient or insufficient for the proposed project

Step 1. Documenting wholesale water supplies

Water Code section 10910

(d)(1) The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entailments, water rights, or water service contracts.

(2) An identification of existing water supply entitlements, water rights, or water service contracts held by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall be demonstrated by providing information related to all of the following:

(A) Written contracts or other proof of entitlement to an identified water supply.
(B) Copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system.
(C) Federal, state and local permits for construction of necessary infrastructure associated with delivering the water supply.
(D) Any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.

The following discussion is in response to the requirements stated above.

A. Quantities of water received from wholesaler in prior years

The city of Milpitas purchases water from two wholesalers, the San Francisco Public Utilities Commission (SFPUC) and the Santa Clara Valley Water District (SCVWD). About sixty percent of Milpitas' drinking water is from SFPUC and the remaining 40% is from the SCVWD. These two sources are not blended normally but they can be physically interconnected to provide emergency water supply if needed. The proposed project will be located in the SCVWD service area. The City began receiving SCVWD water in August 1993. Table 1 shows the quantities of water in acre-feet received from SCVWD in prior years.

Table 1 – Wholesale Water Purchases (SCVWD) in Acre-feet

93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03
3,709	4,462	5,141	5,671	5,137	4,715	4,850	5,072	4,513	4,413

B. Existing water supply contract

Water Purchased from the SCVWD is governed by contract between the SCVWD and the City of Milpitas. Actual contract amount is adjusted periodically based on an annual delivery schedule request the City submits every three years for the subsequent 3-year period. This schedule is binding for the subsequent 3-year period, and the City's annual purchase must be at least 95% of the maximum year contained in the schedule. The City's monthly 'supply guarantee' is at least 15% of the total estimated yearly amount. Table 2 shows SCVWD's current supply contract amounts.

Table 2 – Water Supply Contract Amounts with SCVWD

	Acre-feet	MGD
Approved Annual Supply	4,351 [(a)]	
Average Day Demand	14.7	4.8 [(b)]
Maximum Day Demand	22.1	7.2 [(b)]
Peak Hourly Demand	35.6	11.6 [(b)]

(a) Approved three-year delivery schedule for 03-04 (See SCVWD letter, dated Aug 29, 2003)

(b) Figures taken from 2002 Water Master Plan, Page 3-11

Step 2. Documenting Supplies

This is a continuation of Step 1. In this section, we have identified and quantified the existing and planned sources of water available to the water supplier in 5-year increments for a 20-year period. Though this discussion includes all the water supply sources, the subsequent sections will address water supply from only one wholesaler, the SCVWD, that will provide water to the proposed project.

Table 3 provides information on supply source.

Table 3 – Annual amount under each contract

Supply	Minimum annual delivery MGD	Contract	Ever Used	Water Supply to the project location
SCVWD	Monthly delivery will be at least 15% of approved total	Yes	Yes	Will supply to project area

	annual amount.			
SFPUC	9.2	Yes	Yes	Will not supply project area
Groundwater (Emergency)	1.Pinewood Well - 1.7 2. Curtis Well - 1.5	City wells	Pinewood Well is a backup well. It is maintained by routine monthly operation and discharges to a nearby storm drain. Curtis Well is under construction.	Will not supply project area

During a supply emergency where one wholesale supply source fails, the City has the ability to provide water from the other wholesale supply to the entire City by opening isolation valves between the two supply zones, and by operating the two emergency wells. The City also has emergency intertie contracts with the Alameda County Water District and the San Jose Water Company. These two agencies can provide the City with water on a two-hour notice, provided there is no water emergency on their side.

Table 4 below shows the historical, actual and projected quantities of water delivered during normal years.

Table 4 -- Quantity of water (Acre-feet) Received in Normal Year Actual and Projected (a)

Water Supply Sources	**80/81**	**85/86**	**90/91**	**95/96**	**00/01**	**05/06**	**10/11**	**15/16**	**20/21**	**25/26**
SCVWD	-	-	-	5,141	5,072	4,450	4,680	4,920	5,170	5,434
SFPUC	6,190	9,505	8,739	7,406	7,908	7,676	8,067	8,480	8,910	9,365
Total	6,190	9,505	8,739	12,547	12,980	12,126	12,747	13,400	14,080	14,799

(a) The figures in Table 4 are based on actual data and assumptions from the 2003 Financial Utility Master Plan. SCVWD started supplying water in August 1993.

Step Three — Documenting Project Demand (Project Demand Analysis) Detailing Existing and Planned Future Uses

Water Code section 10910

(c) (3) If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses.

Water Code Section 10631 (Urban Water Management Plan Requirements)

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local services agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

(e) (1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors including, but not necessarily limited to, all of the following uses:

- *(A) Single-family residential*
- *(B) Multifamily*
- *(C) Commercial*
- *(D) Industrial*
- *(E) Institutional and governmental*
- *(F) Landscape*
- *(G) Sales to other agencies*
- *(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.*
- *(I) Agricultural*

(2) The water use projections shall be in the same five-year increments described in subdivision (a).

A variety of demographic factors may affect water use. The 2000 Urban Water Management Plan includes information on several demographic factors such as current and projected population, climate, density and the mix of customer types. Currently, the City has a population of about 64,000 people. The City has housing, industrial and commercial developments. Tables 5 and 6 provide information on population projection and climate respectively. The population numbers are based on Association of Bay Area Governments projections (2002 Water Master Plan).

Table 5 – Population Projections

Year	2000	2005	2010	2015	2020
Population	60,000	65,000	70,000	75,000	78,000

The City's climate is characterized by warm, dry summers and mild wet winters. Annual precipitation averages 14 inches. Table 6 below provides information on the climate. The precipitation and temperature data were obtained from Worldclimate.com and are thirty-year averages. The source of the ETO (loss of water to the atmosphere due to the combined processes of evaporation and transpiration) data is the California Irrigation Management System.

Table 6 – Climate Data

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Avg. Precip (inches)	2.8	2.2	2.6	1.2	0.3	0.0	0.1	0.1	0.2	0.9	2.1	2.0	14.4
Avg. Temp (degrees F)	58.1	62.4	65.3	70.0	74.5	79.5	82.4	81.9	80.6	74.5	64.4	57.4	70.9
ETO	1.24	1.68	3.41	4.8	6.2	6.9	7.44	6.51	5.1	3.41	1.8	0.93	

Table 7 shows the past, current and projected water use by customer categories for SCVWD. This is an effective way to show growth patterns and allows a water supplier to more accurately predict future demand. To make the projections, we have assumed a growth of 1% in accordance with the 2003 Financial Utility Master Plan.

Table 7 – Water Use in Acre-feet by categories (SCVWD)

Customer Type	1990/91	1995/96	2000/01	2005/06	2010/11	2015/16	2020/21	2025/26
Single-Family		3	24	25	26	27	28	29
Multi-family		6	7	24	25	26	27	28
Commercial		271	748	779	819	861	905	951
Industrial		3,200	2,723	2,110	2,218	2,331	2,450	2,575
Institutional/gov		328	341	459	482	507	533	560
Irrigation		1,061	717	721	757	796	837	879
TOTAL		4,869	4,560	4,118	4,327	4,548	4,780	5,022

Table 8 shows the actual and projected number of service connections for SCVWD.

Table 8 – Number of Connections, Actual and Projected (SCVWD)

Customer Type	1990/91	1995/96	2000/01	2005/06	2010/11	2015/16	2020/21	2025/26
Single-Family		11	107	110	116	122	128	135
Multi-family		6	15	25	26	27	28	29
Commercial		164	185	245	257	270	283	297
Industrial		308	313	322	338	355	373	392
Institutional/gov		6	17	19	20	21	22	23
Irrigation		304	251	262	275	289	304	320
TOTAL		799	888	983	1,032	1,084	1,138	1,196

Step Four: Documenting Dry Year's Supply

Water Code section 10910

(c)(3) If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses.

Table 9 shows the City's supply reliability for average water year, single dry water year, and multiple dry water years. The average water year is based on FY 08/09, the scheduled completion time of the Elmwood Project. This is subject to change as the Milpitas demands increase in future years.

Table 9 – Projected Supply in Acre-feet for single-dry and multiple-dry years

Wholesaler	Average Water Year [a]	Single dry Year [b]	Multiple Dry Year 2 [b]	Multiple Dry Year 3 [b]	Multiple Dry Year 4 [b]
SCVWD	4,600	4,140	4,140	4,140	4,140

(a) Project completion is scheduled in 08/09. Projected SCVWD supply in 08/09 is estimated to be 4,600 A-F based on six-year delivery schedule submitted to SCVWD.

(b) Assumed 10% cut-back from the wholesaler (based on 2000 Urban Water Management Plan, Page 19)

Step Five: Documenting Dry Year Demand

Water Code Section 10631 (Urban Water Management Plan Requirements)

(c) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage to the extent practicable, and provide date for each of the following:
(1) An average water year.
(2) A single dry water year.
(3) Multiple dry water years.

Water Code section 10632 (Urban Water Management Plan requirements)

10632. The plan shall provide an urban water shortage contingency analysis which includes each of the following elements which are within the authority of the urban water supplier: (a) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply, and an outline of specific water supply conditions which are applicable to each stage. (b) An estimate of the minimum water supply available during each of the next three water years based on the driest three-year historic sequence for the agency's water supply. (c) Actions to be undertaken by the urban water supplier to prepare for the implement during, a catastrophic interruption of water supplies including, but not limited to, a regional power outage, an earthquake, or other disaster. (d) Additional, mandatory prohibitions against specific water use practices during water shortages, including, but not limited to, prohibiting the use of potable water for street cleaning. (e) Consumption reduction methods in most restrictive stages. Each urban water supplier may use any type of consumption reduction methods in its water shortage contingency analysis that would reduce water use, are appropriate for its area, and have the ability to achieve a water use reduction consistent with up to a 50 percent reduction in water supply. (f) Penalties or charges for excessive use, where application. (g) An analysis of the impacts of each of the actions and conditions described in subdivisions (a) to (f), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments. (h) A draft water shortage contingency resolution or ordinance. (i) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.

In response to Water Code 10631©, the following data is provided in Table 10.

Table 10 – Water Use in Acre-feet During Normal and Dry Years (SCVWD)

Customer Type	Normal [a]	Single Dry [b]	Multiple 2 [b]	Multiple 3 [b]
Residential	2,096	1,886	1,886	1,886
Com/Ind/Inst	1,510	1,359	1,359	1,359
Irrigation	714	643	643	643
TOTAL	4,320	3,888	3,888	3,888

(a) Normal demand is based on projected 04-05 demand. It is assumed to be the demand before the proposed project construction starts. Project is anticipated to start in 05-06 and will be built in phases through 08-09.
(b) Assumed 10% cut-back

The City's Water Shortage Contingency Plan is included in the 2000 Urban water Management Plan (page 21). The Water Shortage Contingency Plan includes SCVWD's Shortage Response Action Plan and SFPUC's Water Rationing Stages and Reduction Goals. Since the City purchases SFPUC and SCVWD water and distributes the water to two separate areas isolated from each other, it does not anticipate that one source would

be used to supplement the other during drought periods. It is possible that SFPUC and the SCVWD will apply different rationing levels to its retailers in future drought situations. Another possibility is that only one wholesaler will experience a shortage and implement rationing. To apply more than one rationing level to the community would be difficult due to perceptions of inequity, application of uniform policies by the City, potential consumer confusion, and compliance. Therefore, the City anticipates only one stage of action would be applied Citywide at any one time. Recommendations on specific actions would depend on both the SFPUC and the SCVWD's positions. The City Council would ultimately select the state of action based upon overall City conservation goals.

The City has a rationing plan that could be invoked during declared water shortages. The rationing plan includes voluntary and mandatory rationing, depending on the causes, severity, and anticipated duration of the water supply shortage.

Step 6: Is the projected water supply sufficient or insufficient for the proposed project?

Tables 11 and 12 compare current and 20-year projected supply and demand for normal, single dry and multiple dry years.

Table 11 – Comparison of current supply and demand in Acre-feet for normal, single dry and multiple dry years (SCVWD)

	Normal	Single-dry	Multiple 2	Multiple 3	Multiple 4
Supply Total	4,600 [a]	4,140 [a]	4,140 [a]	4,140 [a]	4,140 [a]
Demand total	4,320 [b]	3,888 [b]	3,888 [b]	3,888 [b]	3,888 [b]
Demand total (including proposed project)	4,565 [c]	4,109 [d]	4,109 [d]	4,109 [d]	4,109 [d]
Difference	280	252	252	252	252
Difference (including proposed project)	35	31	31	31	31

(a) Based on data from Table 9
(b) Based on data from Table 10
(c) 115 SF Homes @ 320 gpd/DU = (115*320*365)/(748*435.6) = 41.2 Acre-feet
606 MF Units @ 270 gpd/DU = (606*270*365)/(748*435.6) = 183.3 Acre-feet
150,000 sq. ft of commercial development @ 120 gpd/ksf
= (150*120*365)/(748*435.6) = 20.16 Acre-feet
TOTAL = 41.2+183.3+20.16 = 244.66 Acre-feet/year = 245 Acre-feet
(d) assumed 10% cutback

Table 12 – Comparison of 20-year projected supply and demand for normal, single dry and multiple dry years

	Normal [a]	Single-dry [b]	Multiple 2 [b]	Multiple 3 [b]	Multiple 4 [b]
Supply Total	5,700	5,130	5,130	5,130	5,130
Demand total	5,280	4,752	4,752	4,752	4,752
Demand total (including proposed project)	5,570	5,013	5,013	5,013	5,013
Difference	420	378	378	378	378
Difference (including proposed project)	130	117	117	117	117

(a)Assumed 1% growth in supply and demand every year starting 04-05, for the next 20 years on the basis of the 2003 Financial Utility Master Plan assumptions.
(b) Assumed 10% cut-back

Conclusion

The above evaluation shows that the City of Milpitas can meet the total water demand of 4,565 acre-feet including current usage, future needs and the needs of the proposed Elmwood Development project. The City will also be able to meet demands during normal year, single dry and multiple dry years over a time frame of twenty years. The evaluation is based on projections from the 2002 Water Master Plan and the 2003 Financial Utility Master Plan. According to City's contract with the SCVWD, the City is required to submit a delivery schedule every three years to be approved by the SCVWD. The City has submitted a delivery schedule to the SCVWD requesting 4,600 acre-feet in 08-09. The impact of increased water demand will not be felt until 2009-2010 when all the buildings become occupied. The commercial development is scheduled to start in 05-06 and will be completed in 06-07. The residential development will start in 06-07 or 07-08 and will be completed 08-09. If the City feels the need to request an increase in supply due to the proposed project and other unforeseen future growth, the City will submit a written request to the SCVWD.

In addition to the staff evaluation, an independent evaluation was completed by a consultant. This evaluation included a hydraulic modeling analysis. The finding from this analysis confirmed that the City can meet the project demands. It also concluded that the proposed project will not cause any additional failures in the pipelines in terms of velocity and headloss criteria. A fire flow analysis showed that the existing water

distribution system could deliver the necessary flow above the minimum required residual pressure.

As a result of the evaluation, the staff of the Utility Engineering Section of the City of Milpitas has determined that there is sufficient water supply to provide service to the Elmwood residential and commercial development.

Senate Bill No. 221

CHAPTER 642

An act to amend Section 11010 of the Business and Professions Code, and to amend Section 65867.5 of, and to add Sections 66455.3 and 66473.7 to, the Government Code, relating to land use.

[Approved by Governor October 9, 2001. Filed with Secretary of State October 9, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 221, Kuehl. Land use: water supplies.

(1) Under the Subdivision Map Act, a legislative body of a city or county is required to deny approval of a tentative map, or a parcel map for which a tentative map is not required, if it makes any of a number of specified findings. Under the Planning and Zoning Law, a city, county, or city and county may not approve a development agreement unless the legislative body finds that the agreement is consistent with the general plan and any applicable specific plan.

This bill would prohibit approval of a tentative map, or a parcel map for which a tentative map was not required, or a development agreement for a subdivision of property of more than 500 dwelling units, except as specified, including the design of the subdivision or the type of improvement, unless the legislative body of a city or county or the designated advisory agency provides written verification from the applicable public water system that a sufficient water supply is available or, in addition, a specified finding is made by the local agency that sufficient water supplies are, or will be, available prior to completion of the project.

By increasing the duties of local legislative bodies and local planning agencies and commissions, the bill would impose a state-mandated local program.

(2) Existing law requires any person who intends to offer subdivided lands within California for sale or lease to file with the Department of Real Estate an application for a public report consisting of a notice of intention and a completed questionnaire that includes, among other things, a true statement of the provisions, if any, that have been made for public utilities in the proposed subdivision, including water, electricity, gas, telephone, and sewerage facilities.

This bill would provide that for proposed subdivisions subject to specified requirements of the Subdivision Map Act, the true statement of the provisions that have been made for water is satisfied by submitting

a copy of the written verification of the availability of a sufficient water supply, obtained pursuant to specified requirements as described in (1) above.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 11010 of the Business and Professions Code is amended to read:

11010. (a) Except as otherwise provided pursuant to subdivision (c) or elsewhere in this chapter, any person who intends to offer subdivided lands within this state for sale or lease shall file with the Department of Real Estate an application for a public report consisting of a notice of intention and a completed questionnaire on a form prepared by the department.

(b) The notice of intention shall contain the following information about the subdivided lands and the proposed offering:

(1) The name and address of the owner.

(2) The name and address of the subdivider.

(3) The legal description and area of lands.

(4) A true statement of the condition of the title to the land, particularly including all encumbrances thereon.

(5) A true statement of the terms and conditions on which it is intended to dispose of the land, together with copies of any contracts intended to be used.

(6) A true statement of the provisions, if any, that have been made for public utilities in the proposed subdivision, including water, electricity, gas, telephone, and sewerage facilities. For subdivided lands that were subject to the imposition of a condition pursuant to subdivision (b) of Section 66473.7 of the Government Code, the true statement of the provisions made for water shall be satisfied by submitting a copy of the written verification of the available water supply obtained pursuant to Section 66473.7 of the Government Code.

(7) A true statement of the use or uses for which the proposed subdivision will be offered.

(8) A true statement of the provisions, if any, limiting the use or occupancy of the parcels in the subdivision.

(9) A true statement of the amount of indebtedness that is a lien upon the subdivision or any part thereof, and that was incurred to pay for the construction of any onsite or offsite improvement, or any community or recreational facility.

(10) A true statement or reasonable estimate, if applicable, of the amount of any indebtedness which has been or is proposed to be incurred by an existing or proposed special district, entity, taxing area, assessment district, or community facilities district within the boundaries of which, the subdivision, or any part thereof, is located, and that is to pay for the construction or installation of any improvement or to furnish community or recreational facilities to that subdivision, and which amounts are to be obtained by ad valorem tax or assessment, or by a special assessment or tax upon the subdivision, or any part thereof.

(11) (A) As to each school district serving the subdivision, a statement from the appropriate district that indicates the location of each high school, junior high school, and elementary school serving the subdivision, or documentation that a statement to that effect has been requested from the appropriate school district.

(B) In the event that, as of the date the notice of intention and application for issuance of a public report are otherwise deemed to be qualitatively and substantially complete pursuant to Section 11010.2, the statement described in subparagraph (A) has not been provided by any school district serving the subdivision, the person who filed the notice of intention and application for issuance of a public report immediately shall provide the department with the name, address, and telephone number of that district.

(12) The location of all existing airports, and of all proposed airports shown on the general plan of any city or county, located within two statute miles of the subdivision.

(13) A true statement, if applicable, referencing any soils or geologic report or soils and geologic reports that have been prepared specifically for the subdivision.

(14) A true statement of whether or not fill is used, or is proposed to be used in the subdivision and a statement giving the name and the location of the public agency where information concerning soil conditions in the subdivision is available.

(15) Any other information that the owner, his or her agent, or the subdivider may desire to present.

(c) The commissioner may, by regulation, or on the basis of the particular circumstances of a proposed offering, waive the requirement of the submission of a completed questionnaire if the commissioner determines that prospective purchasers or lessees of the subdivision interests to be offered will be adequately protected through the issuance

of a public report based solely upon information contained in the notice of intention.

SEC. 2. Section 65867.5 of the Government Code is amended to read:

65867.5. (a) A development agreement is a legislative act that shall be approved by ordinance and is subject to referendum.

(b) A development agreement shall not be approved unless the legislative body finds that the provisions of the agreement are consistent with the general plan and any applicable specific plan.

(c) A development agreement that includes a subdivision, as defined in Section 66473.7, shall not be approved unless the agreement provides that any tentative map prepared for the subdivision will comply with the provisions of Section 66473.7.

SEC. 3. Section 66455.3 is added to the Government Code, to read:

66455.3. Not later than five days after a city or county has determined that a tentative map application for a proposed subdivision, as defined in Section 66473.7, is complete pursuant to Section 65943, the local agency shall send a copy of the application to any water supplier that is, or may become, a public water system, as defined in Section 10912 of the Water Code, that may supply water for the subdivision.

SEC. 4. Section 66473.7 is added to the Government Code, to read:

66473.7. (a) For the purposes of this section, the following definitions apply:

(1) "Subdivision" means a proposed residential development of more than 500 dwelling units, except that for a public water system that has fewer than 5,000 service connections, "subdivision" means any proposed residential development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections.

(2) "Sufficient water supply" means the total water supplies available during normal, single-dry, and multiple-dry years within a 20-year projection that will meet the projected demand associated with the proposed subdivision, in addition to existing and planned future uses, including, but not limited to, agricultural and industrial uses. In determining "sufficient water supply," all of the following factors shall be considered:

(A) The availability of water supplies over a historical record of at least 20 years.

(B) The applicability of an urban water shortage contingency analysis prepared pursuant to Section 10632 of the Water Code that includes actions to be undertaken by the public water system in response to water supply shortages.

(C) The reduction in water supply allocated to a specific water use sector pursuant to a resolution or ordinance adopted, or a contract entered into, by the public water system, as long as that resolution, ordinance, or contract does not conflict with Section 354 of the Water Code.

(D) The amount of water that the water supplier can reasonably rely on receiving from other water supply projects, such as conjunctive use, reclaimed water, water conservation, and water transfer, including programs identified under federal, state, and local water initiatives such as CALFED and Colorado River tentative agreements, to the extent that these water supplies meet the criteria of subdivision (d).

(3) "Public water system" means the water supplier that is, or may become as a result of servicing the subdivision included in a tentative map pursuant to subdivision (b), a public water system, as defined in Section 10912 of the Water Code, that may supply water for a subdivision.

(b) (1) The legislative body of a city or county or the advisory agency, to the extent that it is authorized by local ordinance to approve, conditionally approve, or disapprove the tentative map, shall include as a condition in any tentative map that includes a subdivision a requirement that a sufficient water supply shall be available. Proof of the availability of a sufficient water supply shall be requested by the subdivision applicant or local agency, at the discretion of the local agency, and shall be based on written verification from the applicable public water system within 90 days of a request.

(2) If the public water system fails to deliver the written verification as required by this section, the local agency or any other interested party may seek a writ of mandamus to compel the public water system to comply.

(3) If the written verification provided by the applicable public water system indicates that the public water system is unable to provide a sufficient water supply that will meet the projected demand associated with the proposed subdivision, then the local agency may make a finding, after consideration of the written verification by the applicable public water system, that additional water supplies not accounted for by the public water system are, or will be, available prior to completion of the subdivision that will satisfy the requirements of this section. This finding shall be made on the record and supported by substantial evidence.

(4) If the written verification is not provided by the public water system, notwithstanding the local agency or other interested party securing a writ of mandamus to compel compliance with this section, then the local agency may make a finding that sufficient water supplies

are, or will be, available prior to completion of the subdivision that will satisfy the requirements of this section. This finding shall be made on the record and supported by substantial evidence.

(c) The applicable public water system's written verification of its ability or inability to provide a sufficient water supply that will meet the projected demand associated with the proposed subdivision as required by subdivision (b) shall be supported by substantial evidence. The substantial evidence may include, but is not limited to, any of the following:

(1) The public water system's most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610) of Division 6 of the Water Code.

(2) A water supply assessment that was completed pursuant to Part 2.10 (commencing with Section 10910) of Division 6 of the Water Code.

(3) Other information relating to the sufficiency of the water supply that contains analytical information that is substantially similar to the assessment required by Section 10635 of the Water Code.

(d) When the written verification pursuant to subdivision (b) relies on projected water supplies that are not currently available to the public water system, to provide a sufficient water supply to the subdivision, the written verification as to those projected water supplies shall be based on all of the following elements, to the extent each is applicable:

(1) Written contracts or other proof of valid rights to the identified water supply that identify the terms and conditions under which the water will be available to serve the proposed subdivision.

(2) Copies of a capital outlay program for financing the delivery of a sufficient water supply that has been adopted by the applicable governing body.

(3) Securing of applicable federal, state, and local permits for construction of necessary infrastructure associated with supplying a sufficient water supply.

(4) Any necessary regulatory approvals that are required in order to be able to convey or deliver a sufficient water supply to the subdivision.

(e) If there is no public water system, the local agency shall make a written finding of sufficient water supply based on the evidentiary requirements of subdivisions (c) and (d) and identify the mechanism for providing water to the subdivision.

(f) In making any findings or determinations under this section, a local agency, or designated advisory agency, may work in conjunction with the project applicant and the public water system to secure water supplies sufficient to satisfy the demands of the proposed subdivision. If the local agency secures water supplies pursuant to this subdivision, which supplies are acceptable to and approved by the governing body of

the public water system as suitable for delivery to customers, it shall work in conjunction with the public water system to implement a plan to deliver that water supply to satisfy the long-term demands of the proposed subdivision.

(g) The written verification prepared under this section shall also include a description, to the extent that data is reasonably available based on published records maintained by federal and state agencies, and public records of local agencies, of the reasonably foreseeable impacts of the proposed subdivision on the availability of water resources for agricultural and industrial uses within the public water system's service area that are not currently receiving water from the public water system but are utilizing the same sources of water. To the extent that those reasonably foreseeable impacts have previously been evaluated in a document prepared pursuant to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) or the National Environmental Policy Act (Public Law 91-190) for the proposed subdivision, the public water system may utilize that information in preparing the written verification.

(h) Where a water supply for a proposed subdivision includes groundwater, the public water system serving the proposed subdivision shall evaluate, based on substantial evidence, the extent to which it or the landowner has the right to extract the additional groundwater needed to supply the proposed subdivision. Nothing in this subdivision is intended to modify state law with regard to groundwater rights.

(i) This section shall not apply to any residential project proposed for a site that is within an urbanized area and has been previously developed for urban uses, or where the immediate contiguous properties surrounding the residential project site are, or previously have been, developed for urban uses, or housing projects that are exclusively for very low and low-income households.

(j) The determinations made pursuant to this section shall be consistent with the obligation of a public water system to grant a priority for the provision of available and future water resources or services to proposed housing developments that help meet the city's or county's share of the regional housing needs for lower income households, pursuant to Section 65589.7.

(k) The County of San Diego shall be deemed to comply with this section if the Office of Planning and Research determines that all of the following conditions have been met:

(1) A regional growth management strategy that provides for a comprehensive regional strategy and a coordinated economic development and growth management program has been developed pursuant to Proposition C as approved by the voters of the County of San

Diego in November 1988, which required the development of a regional growth management plan and directed the establishment of a regional planning and growth management review board.

(2) Each public water system, as defined in Section 10912 of the Water Code, within the County of San Diego has adopted an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) of the Water Code.

(3) The approval or conditional approval of tentative maps for subdivisions, as defined in this section, by the County of San Diego and the cities within the county requires written communications to be made by the public water system to the city or county, in a format and with content that is substantially similar to the requirements contained in this section, with regard to the availability of a sufficient water supply, or the reliance on projected water supplies to provide a sufficient water supply, for a proposed subdivision.

(l) Nothing in this section shall preclude the legislative body of a city or county, or the designated advisory agency, at the request of the applicant, from making the determinations required in this section earlier than required pursuant to subdivision (a).

(m) Nothing in this section shall be construed to create a right or entitlement to water service or any specific level of water service.

(n) Nothing in this section is intended to change existing law concerning a public water system's obligation to provide water service to its existing customers or to any potential future customers.

(o) Any action challenging the sufficiency of the public water system's written verification of a sufficient water supply shall be governed by Section 66499.37.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

O

Senate Bill No. 610

CHAPTER 643

An act to amend Section 21151.9 of the Public Resources Code, and to amend Sections 10631, 10656, 10910, 10911, 10912, and 10915 of, to repeal Section 10913 of, and to add and repeal Section 10657 of, the Water Code, relating to water.

[Approved by Governor October 9, 2001. Filed with Secretary of State October 9, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 610, Costa. Water supply planning.

(1) Existing law requires every urban water supplier to identify, as part of its urban water management plan, the existing and planned sources of water available to the supplier over a prescribed 5-year period. Existing law prohibits an urban water supplier that fails to prepare or submit its urban water management plan to the Department of Water Resources from receiving drought assistance from the state until the plan is submitted.

This bill would require additional information to be included as part of an urban water management plan if groundwater is identified as a source of water available to the supplier. The bill would require an urban water supplier to include in the plan a description of all water supply projects and programs that may be undertaken to meet total projected water use. The bill would prohibit an urban water supplier that fails to prepare or submit the plan to the department from receiving funding made available from specified bond acts until the plan is submitted. The bill, until January 1, 2006, would require the department to take into consideration whether the urban water supplier has submitted an updated plan, as specified, in determining eligibility for funds made available pursuant to any program administered by the department.

(2) Existing law, under certain circumstances, requires a city or county that determines an environmental impact report is required in connection with a project, as defined, to request each public water system that may supply water for the project to assess, among other things, whether its total projected water supplies will meet the projected water demand associated with the proposed project. Existing law requires the public water system to submit the assessment to the city or county not later than 30 days from the date on which the request was received and, in the absence of the submittal of an assessment, provides that it shall be assumed that the public water system has no information

to submit. Existing law makes legislative findings and declarations concerning "Proposition C," a measure approved by the voters of San Diego County relating to regional growth management, and provides that the procedures established by a specified review board established in connection with that measure are deemed to comply with the requirements described above relating to water supply planning by a city or county.

This bill would revise those provisions. The bill, instead, would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment, except as otherwise specified. The bill would require the assessment to include, among other information, an identification of existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project and water received in prior years pursuant to those entitlements, rights, and contracts. The bill would require the city or county, if it is not able to identify any public water system that may supply water for the project, to prepare the water supply assessment after a prescribed consultation. The bill would revise the definition of "project," for the purposes of these provisions, and make related changes.

The bill would prescribe a timeframe within which a public water system is required to submit the assessment to the city or county and would authorize the city or county to seek a writ of mandamus to compel the public water system to comply with requirements relating to the submission of the assessment.

The bill would require the public water system, or the city or county, as applicable, if that entity concludes that water supplies are, or will be, insufficient, to submit the plans for acquiring additional water supplies.

The bill would require the city or county to include the water supply assessment and certain other information in any environmental document prepared for the project pursuant to the act. By establishing duties for counties and cities, the bill would impose a state-mandated local program.

The bill would provide that the County of San Diego is deemed to comply with these water supply planning requirements if the Office of Planning and Research determines that certain requirements have been met in connection with the implementation of "Proposition C."

(3) The bill would incorporate additional changes in Section 10631 of the Water Code proposed by AB 901, to be operative only if this bill and AB 901 are enacted and become effective on or before January 1,

2002, each bill amends Section 10631 of the Water Code, and this bill is enacted last.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) The length and severity of droughts in California cannot be predicted with any accuracy.

(2) There are various factors that affect the ability to ensure that adequate water supplies are available to meet all of California's water demands, now and in the future.

(3) Because of these factors, it is not possible to guarantee a permanent water supply for all water users in California in the amounts requested.

(4) Therefore, it is critical that California's water agencies carefully assess the reliability of their water supply and delivery systems.

(5) Furthermore, California's overall water delivery system has become less reliable over the last 20 years because demand for water has continued to grow while new supplies have not been developed in amounts sufficient to meet the increased demand.

(6) There are a variety of measures for developing new water supplies including water reclamation, water conservation, conjunctive use, water transfers, seawater desalination, and surface water and groundwater storage.

(7) With increasing frequency, California's water agencies are required to impose water rationing on their residential and business customers during this state's frequent and severe periods of drought.

(8) The identification and development of water supplies needed during multiple-year droughts is vital to California's business climate, as well as to the health of the agricultural industry, environment, rural communities, and residents who continue to face the possibility of severe water cutbacks during water shortage periods.

(9) A recent study indicates that the water supply and land use planning linkage, established by Part 2.10 (commencing with Section 10910) of Division 6 of the Water Code, has not been implemented in a manner that ensures the appropriate level of communication between

water agencies and planning agencies, and this act is intended to remedy that deficiency in communication.

(b) It is the intent of the Legislature to strengthen the process pursuant to which local agencies determine the adequacy of existing and planned future water supplies to meet existing and planned future demands on those water supplies.

SEC. 2. Section 21151.9 of the Public Resources Code is amended to read:

21151.9. Whenever a city or county determines that a project, as defined in Section 10912 of the Water Code, is subject to this division, it shall comply with Part 2.10 (commencing with Section 10910) of Division 6 of the Water Code.

SEC. 3. Section 10631 of the Water Code is amended to read:

10631. A plan shall be adopted in accordance with this chapter and shall do all of the following:

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

(b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments as described in subdivision (a). If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:

(1) A copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.

(2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed

description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the location, amount, and sufficiency of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(c) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:

(1) An average water year.

(2) A single dry water year.

(3) Multiple dry water years.

For any water source that may not be available at a consistent level of use, given specific legal, environmental, water quality, or climatic factors, describe plans to replace that source with alternative sources or water demand management measures, to the extent practicable.

(d) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.

(e) (1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use sectors, including, but not necessarily limited to, all of the following uses:

(A) Single-family residential.

(B) Multifamily.

(C) Commercial.

(D) Industrial.

(E) Institutional and governmental.

(F) Landscape.

(G) Sales to other agencies.

(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.

(I) Agricultural.

(2) The water use projections shall be in the same five-year increments as described in subdivision (a).

(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:

(1) A description of each water demand management measure that is currently being implemented, or scheduled for implementation, including the steps necessary to implement any proposed measures, including, but not limited to, all of the following:

(A) Water survey programs for single-family residential and multifamily residential customers.

(B) Residential plumbing retrofit.

(C) System water audits, leak detection, and repair.

(D) Metering with commodity rates for all new connections and retrofit of existing connections.

(E) Large landscape conservation programs and incentives.

(F) High-efficiency washing machine rebate programs.

(G) Public information programs.

(H) School education programs.

(I) Conservation programs for commercial, industrial, and institutional accounts.

(J) Wholesale agency programs.

(K) Conservation pricing.

(L) Water conservation coordinator.

(M) Water waste prohibition.

(N) Residential ultra-low-flush toilet replacement programs.

(2) A schedule of implementation for all water demand management measures proposed or described in the plan.

(3) A description of the methods, if any, that the supplier will use to evaluate the effectiveness of water demand management measures implemented or described under the plan.

(4) An estimate, if available, of existing conservation savings on water use within the supplier's service area, and the effect of such savings on the supplier's ability to further reduce demand.

(g) An evaluation of each water demand management measure listed in paragraph (1) of subdivision (f) that is not currently being implemented or scheduled for implementation. In the course of the evaluation, first consideration shall be given to water demand management measures, or combination of measures, that offer lower incremental costs than expanded or additional water supplies. This evaluation shall do all of the following:

(1) Take into account economic and noneconomic factors, including environmental, social, health, customer impact, and technological factors.

(2) Include a cost-benefit analysis, identifying total benefits and total costs.

(3) Include a description of funding available to implement any planned water supply project that would provide water at a higher unit cost.

(4) Include a description of the water supplier's legal authority to implement the measure and efforts to work with other relevant agencies to ensure the implementation of the measure and to share the cost of implementation.

(h) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs, other than the demand management programs identified pursuant to paragraph (1) of subdivision (f), that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single dry, and multiple dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

(i) Urban water suppliers that are members of the California Urban Water Conservation Council and submit annual reports to that council in accordance with the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated September 1991, may submit the annual reports identifying water demand management measures currently being implemented, or scheduled for implementation, to satisfy the requirements of subdivisions (f) and (g).

SEC. 3.5. Section 10631 of the Water Code is amended to read:

10631. A plan shall be adopted in accordance with this chapter and shall do all of the following:

(a) Describe the service area of the supplier, including current and projected population, climate, and other demographic factors affecting the supplier's water management planning. The projected population estimates shall be based upon data from the state, regional, or local service agency population projections within the service area of the urban water supplier and shall be in five-year increments to 20 years or as far as data is available.

(b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments as described in subdivision (a). If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:

(1) A copy of any groundwater management plan adopted by the urban water supplier, including plans adopted pursuant to Part 2.75 (commencing with Section 10750), or any other specific authorization for groundwater management.

(2) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has *identified the basin or basins as overdrafted or has projected that the* basin will become overdrafted if present management conditions continue, in the most current official departmental bulletin that characterizes the condition of the groundwater basin, and a detailed description of the efforts being undertaken by the urban water supplier to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(c) Describe the reliability of the water supply and vulnerability to seasonal or climatic shortage, to the extent practicable, and provide data for each of the following:

(1) An average water year.

(2) A single dry water year.

(3) Multiple dry water years.

For any water source that may not be available at a consistent level of use, given specific legal, environmental, water quality, or climatic factors, describe plans to supplement or replace that source with alternative sources or water demand management measures, to the extent practicable.

(d) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.

(e) (1) Quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, identifying the uses among water use

sectors, including, but not necessarily limited to, all of the following *uses:*

(A) Single-family residential.

(B) Multifamily.

(C) Commercial.

(D) Industrial.

(E) Institutional and governmental.

(F) Landscape.

(G) Sales to other agencies.

(H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.

(I) Agricultural.

(2) The water use projections shall be in the same five-year increments as described in subdivision (a).

(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:

(1) A description of each water demand management measure that is currently being implemented, or scheduled for implementation, including the steps necessary to implement any proposed measures, including, but not limited to, all of the following:

(A) Water survey programs for single-family residential and multifamily residential customers.

(B) Residential plumbing retrofit.

(C) System water audits, leak detection, and repair.

(D) Metering with commodity rates for all new connections and retrofit of existing connections.

(E) Large landscape conservation programs and incentives.

(F) High-efficiency washing machine rebate programs.

(G) Public information programs.

(H) School education programs.

(I) Conservation programs for commercial, industrial, and institutional accounts.

(J) Wholesale agency programs.

(K) Conservation pricing.

(L) Water conservation coordinator.

(M) Water waste prohibition.

(N) Residential ultra-low-flush toilet replacement programs.

(2) A schedule of implementation for all water demand management measures proposed or described in the plan.

(3) A description of the methods, if any, that the supplier will use to evaluate the effectiveness of water demand management measures implemented or described under the plan.

(4) An estimate, if available, of existing conservation savings on water use within the supplier's service area, and the effect of the savings on the supplier's ability to further reduce demand.

(g) An evaluation of each water demand management measure listed in paragraph (1) of subdivision (f) that is not currently being implemented or scheduled for implementation. In the course of the evaluation, first consideration shall be given to water demand management measures, or combination of measures, that offer lower incremental costs than expanded or additional water supplies. This evaluation shall do all of the following:

(1) Take into account economic and noneconomic factors, including environmental, social, health, customer impact, and technological factors.

(2) Include a cost-benefit analysis, identifying total benefits and total costs.

(3) Include a description of funding available to implement any planned water supply project that would provide water at a higher unit cost.

(4) Include a description of the water supplier's legal authority to implement the measure and efforts to work with other relevant agencies to ensure the implementation of the measure and to share the cost of implementation.

(h) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs, other than the demand management programs identified pursuant to paragraph (1) of subdivision (f), that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single dry, and multiple dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

(i) Urban water suppliers that are members of the California Urban Water Conservation Council and submit annual reports to that council in accordance with the "Memorandum of Understanding Regarding Urban Water Conservation in California," dated September 1991, may submit the annual reports identifying water demand management measures currently being implemented, or scheduled for implementation, to satisfy the requirements of subdivisions (f) and (g).

SEC. 4. Section 10656 of the Water Code is amended to read:

10656. An urban water supplier that does not prepare, adopt, and submit its urban water management plan to the department in accordance with this part, is ineligible to receive funding pursuant to Division 24 (commencing with Section 78500) or Division 26 (commencing with Section 79000), or receive drought assistance from the state until the urban water management plan is submitted pursuant to this article.

SEC. 4.3. Section 10657 is added to the Water Code, to read:

10657. (a) The department shall take into consideration whether the urban water supplier has submitted an updated urban water management plan that is consistent with Section 10631, as amended by the act that adds this section, in determining whether the urban water supplier is eligible for funds made available pursuant to any program administered by the department.

(b) This section shall remain in effect only until January 1, 2006, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2006, deletes or extends that date.

SEC. 4.5. Section 10910 of the Water Code is amended to read:

10910. (a) Any city or county that determines that a project, as defined in Section 10912, is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) under Section 21080 of the Public Resources Code shall comply with this part.

(b) The city or county, at the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required for any project subject to the California Environmental Quality Act pursuant to Section 21080.1 of the Public Resources Code, shall identify any water system that is, or may become as a result of supplying water to the project identified pursuant to this subdivision, a public water system, as defined in Section 10912, that may supply water for the project. If the city or county is not able to identify any public water system that may supply water for the project, the city or county shall prepare the water assessment required by this part after consulting with any entity serving domestic water supplies whose service area includes the project site, the local agency formation commission, and any public water system adjacent to the project site.

(c) (1) The city or county, at the time it makes the determination required under Section 21080.1 of the Public Resources Code, shall request each public water system identified pursuant to subdivision (b) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610).

(2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g).

(3) If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water supply assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses.

(4) If the city or county is required to comply with this part pursuant to subdivision (b), the water supply assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.

(d) (1) The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts.

(2) An identification of existing water supply entitlements, water rights, or water service contracts held by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall be demonstrated by providing information related to all of the following:

(A) Written contracts or other proof of entitlement to an identified water supply.

(B) Copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system.

(C) Federal, state, and local permits for construction of necessary infrastructure associated with delivering the water supply.

(D) Any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.

(e) If no water has been received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts, the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall also include in its water supply assessment pursuant to subdivision (c), an identification of the other public water systems or water service contractholders that receive a water supply or have existing water supply entitlements, water rights, or water service contracts, to the same source of water as the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has identified as a source of water supply within its water supply assessments.

(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water supply assessment:

(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.

(2) A description of any groundwater basin or basins from which the proposed project will be supplied. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be

based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. A water supply assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by paragraph (4) of subdivision (b) of Section 10631.

(g) (1) Subject to paragraph (2), the governing body of each public water system shall submit the assessment to the city or county not later than 90 days from the date on which the request was received. The governing body of each public water system, or the city or county if either is required to comply with this act pursuant to subdivision (b), shall approve the assessment prepared pursuant to this section at a regular or special meeting.

(2) Prior to the expiration of the 90-day period, if the public water system intends to request an extension of time to prepare and adopt the assessment, the public water system shall meet with the city or county to request an extension of time, which shall not exceed 30 days, to prepare and adopt the assessment.

(3) If the public water system fails to request an extension of time, or fails to submit the assessment notwithstanding the extension of time granted pursuant to paragraph (2), the city or county may seek a writ of mandamus to compel the governing body of the public water system to comply with the requirements of this part relating to the submission of the water supply assessment.

(h) Notwithstanding any other provision of this part, if a project has been the subject of a water supply assessment that complies with the requirements of this part, no additional water supply assessment shall be required for subsequent projects that were part of a larger project for which a water supply assessment was completed and that has complied with the requirements of this part and for which the public water system, or the city or county if either is required to comply with this part pursuant

to subdivision (b), has concluded that its water supplies are sufficient to meet the projected water demand associated with the proposed project, in addition to the existing and planned future uses, including, but not limited to, agricultural and industrial uses, unless one or more of the following changes occurs:

(1) Changes in the project that result in a substantial increase in water demand for the project.

(2) Changes in the circumstances or conditions substantially affecting the ability of the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), to provide a sufficient supply of water for the project.

(3) Significant new information becomes available which was not known and could not have been known at the time when the assessment was prepared.

SEC. 5. Section 10911 of the Water Code is amended to read:

10911. (a) If, as a result of its assessment, the public water system concludes that its water supplies are, or will be, insufficient, the public water system shall provide to the city or county its plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies. If the city or county, if either is required to comply with this part pursuant to subdivision (b), concludes as a result of its assessment, that water supplies are, or will be, insufficient, the city or county shall include in its water supply assessment its plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies. Those plans may include, but are not limited to, information concerning all of the following:

(1) The estimated total costs, and the proposed method of financing the costs, associated with acquiring the additional water supplies.

(2) All federal, state, and local permits, approvals, or entitlements that are anticipated to be required in order to acquire and develop the additional water supplies.

(3) Based on the considerations set forth in paragraphs (1) and (2), the estimated timeframes within which the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), expects to be able to acquire additional water supplies.

(b) The city or county shall include the water supply assessment provided pursuant to Section 10910, and any information provided pursuant to subdivision (a), in any environmental document prepared for the project pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.

(c) The city or county may include in any environmental document an evaluation of any information included in that environmental

document provided pursuant to subdivision (b). The city or county shall determine, based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses. If the city or county determines that water supplies will not be sufficient, the city or county shall include that determination in its findings for the project.

SEC. 6. Section 10912 of the Water Code is amended to read:

10912. For the purposes of this part, the following terms have the following meanings:

(a) "Project" means any of the following:

(1) A proposed residential development of more than 500 dwelling units.

(2) A proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space.

(3) A proposed commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space.

(4) A proposed hotel or motel, or both, having more than 500 rooms.

(5) A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.

(6) A mixed-use project that includes one or more of the projects specified in this subdivision.

(7) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project.

(b) If a public water system has fewer than 5,000 service connections, then "project" means any proposed residential, business, commercial, hotel or motel, or industrial development that would account for an increase of 10 percent or more in the number of the public water system's existing service connections, or a mixed-use project that would demand an amount of water equivalent to, or greater than, the amount of water required by residential development that would represent an increase of 10 percent or more in the number of the public water system's existing service connections.

(c) "Public water system" means a system for the provision of piped water to the public for human consumption that has 3000 or more service connections. A public water system includes all of the following:

(1) Any collection, treatment, storage, and distribution facility under control of the operator of the system which is used primarily in connection with the system.

(2) Any collection or pretreatment storage facility not under the control of the operator that is used primarily in connection with the system.

(3) Any person who treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.

SEC. 7. Section 10913 of the Water Code is repealed.

SEC. 8. Section 10915 of the Water Code is amended to read:

10915. The County of San Diego is deemed to comply with this part if the Office of Planning and Research determines that all of the following conditions have been met:

(a) Proposition C, as approved by the voters of the County of San Diego in November 1988, requires the development of a regional growth management plan and directs the establishment of a regional planning and growth management review board.

(b) The County of San Diego and the cities in the county, by agreement, designate the San Diego Association of Governments as that review board.

(c) A regional growth management strategy that provides for a comprehensive regional strategy and a coordinated economic development and growth management program has been developed pursuant to Proposition C.

(d) The regional growth management strategy includes a water element to coordinate planning for water that is consistent with the requirements of this part.

(e) The San Diego County Water Authority, by agreement with the San Diego Association of Governments in its capacity as the review board, uses the association's most recent regional growth forecasts for planning purposes and to implement the water element of the strategy.

(f) The procedures established by the review board for the development and approval of the regional growth management strategy, including the water element and any certification process established to ensure that a project is consistent with that element, comply with the requirements of this part.

(g) The environmental documents for a project located in the County of San Diego include information that accomplishes the same purposes as a water supply assessment that is prepared pursuant to Section 10910.

SEC. 9. Section 3.5 of this bill incorporates amendments to Section 10631 of the Water Code proposed by both this bill and AB 901. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2002, (2) each bill amends Section 10631 of the Water Code, and (3) this bill is enacted after AB 901, in which case Section 3 of this bill shall not become operative.

SEC. 10. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

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